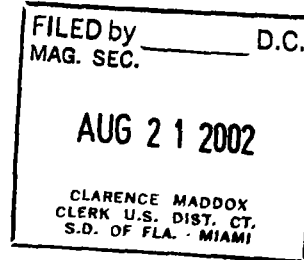


UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

ROBERT C. HEINEMANN
CLERK OF COURT
BROOKLYN OFFICE
225 CADMAN PLAZA, EAST
BROOKLYN, N.Y. 11201

August 14, 2002



TO: U.S. District Court,
Carlos K. Juenke, Clerk
Southern District of Florida
Federal Courthouse Square
301 North Miami Avenue
Miami, FL 33128

RE: UNITED STATES vs. Lawrence M. Gallo
MAGISTRATE DOCKET # 02-M-1436

Dear Sir:

Enclosed, please find a certified copies of our entire file and docket sheet in the above captioned Rule 40 Removal proceeding.

Please acknowledge receipt of the above-referenced documents by signing below, where indicated, and returning a copy of this letter to this office.

Respectfully,

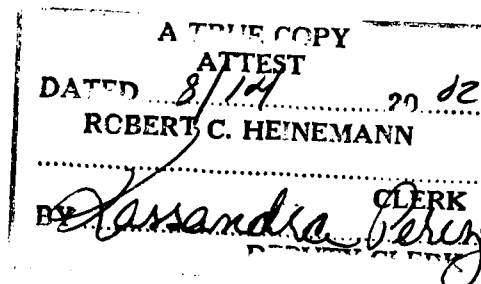
Robert C. Heinemann
Clerk of Court

By: Kassandra L. Perez
Kassandra L. Perez
Magistrate Clerical

RECEIPT ACKNOWLEDGED

Carlos K. Juenke, Clerk

By _____



15

INITIAL APPEARANCE CALENDAR

- 02-1436M 02-1436M
- 1) Magistrate Case Number: _____
- 2) Defendant's Name: Gallo, Lawrence
(Last) (First) (M.I.)
- 3) Age: _____
- 4) Title: _____ Section(s): _____
- 5) Citizen of: _____ Needs: _____ Interpreter _____
- 6) Arrest Warrant Issued: _____ Date and time of arrest: _____

(Items 1-6 to be completed by AUSA/Arresting Officer)

- 7) Removal Proceeding: ☒ Yes ☐ No Other District: S.D. of Florida
- 8) Name of Interpreter used today: _____ Language: _____
- 9) Arraignment on complaint held: ☒ Yes ☐ No Date/Time: 8/13/02
- 10) Detention Hearing Held: ☒ Bail set at: \$300,000 ROR Entered: _____ POD Entered: _____
- 11) Temporary Order of Detention Entered: _____ Bail Hearing set for: _____
- 12) (a) Preliminary Hearing set for: _____; or waived: _____
(b) Removal Hearing set for: _____; or waived: ☒
(c) Status Conference set for: _____
- 13) ASSISTANT U.S. ATTORNEY: Ken Beelen
- 14) DEFENSE COUNSEL'S NAME: Donna Newman
Address: _____
Bar Code: _____ CJA: ☒ PDA: _____ RET: _____
Telephone Number: (____) _____

15) ESR Tape #: 02, 201, 3467-388

16) Other Comments/Rulings: Sweat advised of the obligations of signing the bond. Dett given bail warnings.

17) Complaint/Affidavit/Indictment unsealed: ☐ Yes ☐ No

SO ORDERED ON THIS _____ DAY OF _____

UNITED STATES MAGISTRATE JUDGE

| | |
|--------------------------------|--|
| A TRUE COPY | |
| ATTEST | |
| DATED <u>8/14</u> 20 <u>02</u> | |
| ROBERT C. HEINEMANN | |
| CLERK | |
| DEPUTY CLERK | |

Kassandra Perry

9

UNITED STATES OF AMERICA

ORDER SETTING CONDITIONS
 OF RELEASE AND BOND

V.

Case No.: 02N11436

Lawrence Gallo

Defendant

RELEASE ORDER

It is hereby ORDERED that the above-named defendant be released as follows, subject to the Standard Conditions of Bond on the reverse and:

- ☐ Upon Personal Recognizance Bond on his/her promise to appear at all scheduled proceedings as required, or
☐ Upon Unsecured Bond executed by defendant in the amount of \$ _____, or
☒ Upon Secured Appearance Bond as provided herein.

Additional Conditions of Release

Upon finding that release under the standard conditions detailed on the reverse will not by themselves reasonably assure the appearance of the defendant and the safety of other persons and the community, IT IS FURTHER ORDERED that the defendant is subject to the following additional conditions of release:

- ☒ 1. The defendant must remain in and may not leave the following areas without Court permission: New York State + Florida
☐ 2. The defendant shall avoid all contact and not associate with any of the following persons or entities: _____
☐ 3. The defendant shall avoid and not go to any of the following locations: _____
☒ 4. The defendant shall surrender any and all passports to the U.S. Pretrial Services Agency by _____ and shall not apply for any other passport.
☒ 5. Defendant is placed under the express supervision of the Pretrial Services Agency, subject to the Special Conditions on the reverse, if applicable, and
☐ is subject to random visits by a Pretrial Services officer at defendant's home and/or place of work;
☒ must report to that agency () in person _____ times per _____ and/or () by telephone 1 times per week;
☐ is subject to home detention with electronic monitoring with the following conditions: _____

- ☐ must undergo ☐ random drug testing ☐ evaluation and/or ☐ treatment for: ☐ substance abuse ☐ alcoholism ☐ mental health problems.
☐ must pay the cost of treatment and/or electronic monitoring by with personal funds and/or insurance.

- ☐ 6. Other Conditions: Appear before on August 20, 2002 before the Duty Magistrate in the Southern District of Florida

APPEARANCE BOND

The undersigned defendant and sureties jointly and severally acknowledge that I/we and my/our personal representatives, jointly and severally, are bound to pay to the United States of America the sum of \$ 300,000. The undersigned agree(s) that this obligation is secured with his/her/their interest in the following property ("Collateral") which he/she/they represent is/are free and clear of liens except as otherwise indicated:

- ☐ cash deposited in the Registry of the Court the sum of \$ _____
☒ premises located at: 130 91st St, Bklyn, NY 11209 owned by Richard Leto
☐ I/We also agree to execute a confession of judgment in form approved by the U.S. Attorney which shall be duly filed with the proper local and state authorities on or before _____

☐ Other Conditions: _____

Richard Leto
 Richard Leto
 Surety
 Address: 130-91 Street, B.K.L.
 Address: _____
 Address: _____
 Surety
 Address: _____
 Surety
 Address: _____

| | |
|---------------------------|----------------------------------|
| A TRUE COPY | |
| ATTEST | DATE <u>11/8/97</u> 20 <u>12</u> |
| ROBERT C. HEINEMANN | |
| BY <u>Kassandra Perez</u> | CLERK |
| DEPUTY CLERK | |

The Court has advised the defendant of the conditions of release per 18:3142(h)(1) and (h)(2). This bond is conditioned upon the appearance of the defendant and is subject to the Standard Conditions of Bond set forth on the reverse. If the defendant fails to appear as ordered or notified, or any other condition of this bond is not met, this bond shall be due forthwith.

I acknowledge that I am the defendant in this case and that I am aware of the conditions of release. I promise to obey all conditions of release, to appear as directed, and to surrender for service of any sentence imposed. I am aware of the penalties and sanctions set forth on the reverse of this form.


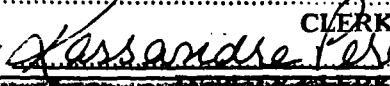

Release of the Defendant is hereby ordered on

Aug. 13, 2002

Lawrence Gallo
 Signature of Defendant

Distribution: White-Original Canary - Courtroom Deputy Pink - Pretrial Services Goldenrod - Defendant

CJA 20 APPOINTMENT OF AND AUTHORITY TO PAY COURT APPOINTED COUNSEL (Rev. 5/99)

| | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. CIR./DIST./ DIV. CODE EDNY | | 2. PERSON REPRESENTED LAWRENCE GALO | | VOUCHER NUMBER | |
| 3. MAG. DKT./DEF. NUMBER 02-M-1436 | | 4. DIST. DKT./DEF. NUMBER | | 5. APPEALS DKT./DEF. NUMBER | |
| 6. OTHER DKT. NUMBER | | 7. IN CASE/MATTER OF (Case Name) U.S.A. V. GALO | | 8. PAYMENT CATEGORY <input checked="" type="checkbox"/> Felony <input type="checkbox"/> Petty Offense <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Other <input type="checkbox"/> Appeal | |
| 9. TYPE PERSON REPRESENTED <input checked="" type="checkbox"/> Adult Defendant <input type="checkbox"/> Appellant <input type="checkbox"/> Juvenile Defendant <input type="checkbox"/> Appellee <input type="checkbox"/> Other <u>Grand jury witness</u> | | 10. REPRESENTATION TYPE (See Instructions) CC | | | |
| 11. OFFENSE(S) CHARGED (Cite U.S. Code, Title & Section) <i>If more than one offense, list (up to five) major offenses charged, according to severity of offense.</i> Removal to Southern District of Florida | | | | | |
| 12. ATTORNEY'S NAME (First Name, M.I., Last Name, including any suffix), AND MAILING ADDRESS DONNA NEWMAN 121 WEST 27TH STREET SUITE 1103 NEW YORK, NY 10001 Telephone Number : (212) 229-1516 | | | 13. COURT ORDER <input checked="" type="checkbox"/> O Appointing Counsel <input type="checkbox"/> C Co-Counsel <input type="checkbox"/> F Subs For Federal Defender <input type="checkbox"/> R Subs For Retained Attorney <input type="checkbox"/> P Subs For Panel Attorney <input type="checkbox"/> Y Standby Counsel Prior Attorney's Appointment _____ <input type="checkbox"/> Because the above-named person represented has testified under oath or has satisfied this Court that he or she (1) is financially unable to employ counsel and (2) does not wish to waive counsel, and because the interests of justice so require, the attorney whose name appears in Item 12 is appointed to represent this person in this case, OR <input type="checkbox"/> Other (See Instructions) _____ <div style="text-align: right;">  Signature of Presiding Judicial Officer or By Order of the Court 8/13/02 8/13/02 Date of Order Nunc Pro Tunc Date Repayment or partial repayment ordered from the person represented for this service at appointment. <input type="checkbox"/> YES <input type="checkbox"/> NO </div> | | |
| 14. NAME AND MAILING ADDRESS OF LAW FIRM (Only provide per instructions) | | | | | |
| CLAIM FOR SERVICES AND EXPENSES | | | | | |
| CATEGORIES (Attach itemization of services with dates) | | HOURS CLAIMED | TOTAL AMOUNT CLAIMED | MATH/TECH. ADJUSTED HOURS | MATH/TECH. ADJUSTED AMOUNT |
| 15. In | | | | | |
| a. Arraignment and/or Plea | | | | | |
| b. Bail and Detention Hearings | | | | | |
| c. Motion Hearings | | | | | |
| d. Trial | | | | | |
| e. Sentencing Hearings | | | | | |
| f. Revocation Hearings | | | | | |
| g. Appeals Court | | | | | |
| h. Other (Specify on additional sheets) | | | | | |
| (RATE PER HOUR = \$) TOTALS: | | | | | |
| 16. Out of | | | | | |
| a. Interviews and Conferences | | | | | |
| b. Obtaining and reviewing records | | | | | |
| c. Legal research and brief writing | | | | | |
| d. Travel time | | | | | |
| e. Investigative and other work (Specify on additional sheets) | | | | | |
| (RATE PER HOUR = \$) TOTALS: | | | | | |
| 17. Travel Expenses (lodging, parking, meals, mileage, etc.) | | | | | |
| 18. Other Expenses (other than expert, transcripts, etc.) | | | | | |
| GRAND TOTALS (CLAIMED AND ADJUSTED) | | | | | |
| 19. CERTIFICATION OF ATTORNEY/PAYEE FOR THE PERIOD OF SERVICE TO: _____ | | | 20. APPOINTMENT TERMINATION DATE IF OTHER THAN CASE COMPLETION | | 21. CASE DISPOSITION A TRUE COPY TEST DA 8/17/02 20 02 ROBERT C. HEINEMANN CLERK BY  |
| 22. CLAIM STATUS <input type="checkbox"/> Final Payment <input type="checkbox"/> Interim Payment Number _____ Have you previously applied to the court for compensation and/or reimbursement for this representation? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, were you paid by anyone else, received payment (compensation or anything of value) from any other source in connection with this representation? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, give details on additional sheets. I swear or affirm the truth or correctness of the above statements. Signature of Attorney _____ | | | | | |
| APPROVED FOR PAYMENT | | | | | |
| 23. IN COURT COMP. | | 24. OUT OF COURT COMP. | | 25. TRAVEL EXPENSES | |
| 26. OTHER EXPENSES | | 27. TOTAL AMT. APPR./CERT. | | | |
| 28. SIGNATURE OF THE PRESIDING JUDICIAL OFFICER | | | DATE | | 28a. JUDGE/MAG. JUDGE CODE |
| 29. IN COURT COMP. | | 30. OUT OF COURT COMP. | | 31. TRAVEL EXPENSES | |
| 32. OTHER EXPENSES | | 33. TOTAL AMT. APPROVED | | | |
| 34. SIGNATURE OF CHIEF JUDGE, COURT OF APPEALS (OR DELEGATE) Payment approved in excess of the statutory threshold amount. | | | DATE | | 34a. JUDGE CODE  |

UNITED STATES DISTRICT COURT

EASTERN

DISTRICT OF

NEW YORK

UNITED STATES OF AMERICA

v.

WAIVER OF RULE 40 HEARINGS
(Excluding Probation Cases)

Lawrence Gallo

CASE NUMBER: 02M1436

I, Lawrence Gallo

Southern District of Florida

alleging violation of 18 U.S.C. sec. 371 and that I have been

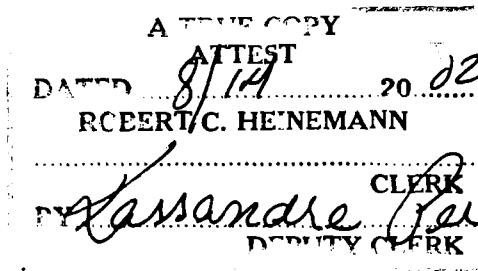
arrested in this District and taken before a United States Magistrate Judge who informed me of the charge and of my right to:

(1) retain counsel or request the assignment of counsel if I am unable to retain counsel, (2) request transfer of the proceedings to this district pursuant to Rule 20, Fed. R. Crim. P., in order to plead guilty, (3) an identity hearing to determine if I am the person named in the charge, and (4) a preliminary examination (unless an indictment has been returned or an information filed) to determine whether there is probable cause to believe an offense has been committed by me, the hearing to be held either in this district or the district of prosecution.

I HEREBY WAIVE (GIVE UP) MY RIGHT TO A(N):

- () identity hearing
() preliminary examination
(☒) identity hearing and have been informed I have no right to a preliminary examination
() identity hearing but request a preliminary examination be held in the prosecuting district

and, therefore, consent to the issuance of an order requiring my appearance in the prosecuting district where the charge is pending against me.



Lawrence Gallo
Defendant

8/13/02
Date

Donna L. Hume
Defense Counsel

5

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.: 02-20637-CR-MOORE

UNITED STATES OF AMERICA,

Plaintiff,

v.

DOUGLAS RASBERRY,

Defendant.

NOTICE OF APPEARANCE

COMES NOW STEVE ROSSI, ESQUIRE, a member of the Bar of this Court in good standing, and enters this his Notice of Appearance as counsel for the above-named Defendant, DOUGLAS RASBERRY.

Pursuant to Local Rule 88.7, entitled Retained Criminal Defense Attorneys, the Court is advised that this appearance is for trial only.

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by first-class United States mail, postage pre-paid, to Eric Bustillo, Esquire, Assistant United States Attorney, United States Attorney's Office, 99 N.E. 4th Street, Miami, FL 33132-2111, this 21st day of August, 2002.

Respectfully submitted,

LAW OFFICES OF
BRAVERMAN AND ROSSI
Attorneys for Defendant
625 N.E. 3rd Avenue
Ft. Lauderdale, FL 33304
(954) 524-0505, ext. 203

By:

STEVE ROSSI, ESQ.
Fla. Bar No. 0745898

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.: 02-20637-CR-MOORE

UNITED STATES OF AMERICA,

Plaintiff,

v.

DOUGLAS RASPBERRY

Defendant.

_____ /

W
2/28

NOTICE OF APPEARANCE

COMES NOW BRUCE H. FLEISHER, ESQUIRE, a member of the Bar of this Court in good standing and enters this his **Notice of Appearance** as **co-counsel** for the above named Defendant DOUGLAS RASPBERRY.

Pursuant to Local Rule 88.7, entitled **Retained Criminal Defense Attorney**, the Court is advised that this appearance is for **trial** only.

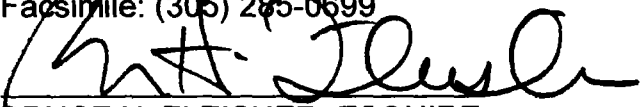
CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and accurate copy of this foregoing Motion was furnished via U.S. Mail this 19th day of August, 2002 to: Eric Bustillo, Esquire, Assistant United States Attorney, United States Attorney's Office, 99 N.E. 4th Street, Miami, Florida 33132-2111 and Steve Rossi, Esquire, 625 N.E. 3rd Avenue, Fort Lauderdale, Florida 33304-2617.

Respectfully submitted,

BRUCE H. FLEISHER, P.A.
Bayview Plaza
3225 Aviation Avenue
Suite 300
Coconut Grove, Florida 33133
Office: (305) 859-7999
Facsimile: (305) 285-0699

By:


BRUCE H. FLEISHER, ESQUIRE
Florida Bar No.: 166952

CLOSED

U.S. District Court
New York Eastern (Brooklyn)

CRIMINAL DOCKET FOR CASE #: 02-M -1436-ALL

USA v. Gallo
Dkt# in other court: None

Filed: 08/14/02

Case Assigned to: Magistrate A. Simon Chrein

LAWRENCE W. GALLO (1)
defendant

Donna R. Newman
[COR LD NTC cja]
121 West 27th Street
Suite 1103
New York, NY 10001
(212) 229-1516

Pending Counts:

NONE

Terminated Counts:

NONE

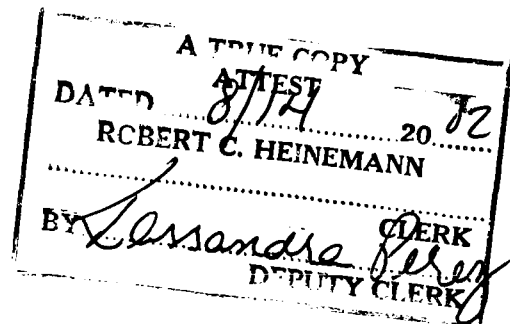
Complaints

Disposition

Removal to Southern District
of Florida

U. S. Attorneys:

NONE



Proceedings include all events.

1:02m 1436-ALL USA v. Gallo

CLOSED

8/13/02 -- ARREST of Lawrence W. Gallo (kp) [Entry date 08/14/02]

8/13/02 2 Magistrate Arraignment as to Lawrence W. Gallo held before Judge Chrein. AUSA Ken Breen. Tape #02/201(3467-3888) Removal to Southern District of Florida. (Defendant informed of rights.) (kp) [Entry date 08/14/02]

8/13/02 3 Secured Appearance BOND entered by Lawrence W. Gallo in Amount \$ 300,000 (Signed by Magistrate A. S. Chrein , dated 8/13/02) (kp) [Entry date 08/14/02]

8/13/02 4 CJA 20 as to Lawrence W. Gallo : Appointment of Attorney Donna R. Newman (Signed by Magistrate A. S. Chrein , Dated 8/13/02) (kp) [Entry date 08/14/02]

8/13/02 5 WAIVER of Rule 40 Hearings by Lawrence W. Gallo (kp) [Entry date 08/14/02]

8/13/02 -- RULE 40 transfer to District of Southern Florida certified copy of file and docket sheet sent on 8/13/02 (kp) [Entry date 08/14/02]

8/14/02 1 COMPLAINT as to Lawrence W. Gallo (kp) [Entry date 08/14/02]

02-1436M

AJH:KMB
GALLO.REM

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - -X

UNITED STATES OF AMERICA

- against -

LAWRENCE W. GALLO,

Defendant.

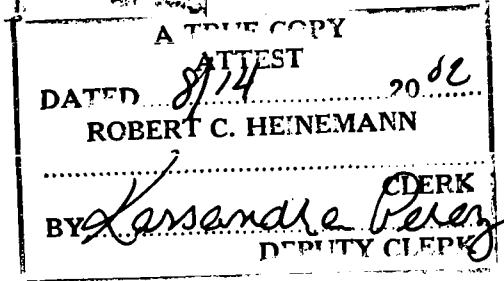
- - - - -X

EASTERN DISTRICT OF NEW YORK, SS:

KURT DENGLER, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), duly appointed according to law and acting as such.

Upon information and belief, on or about July 30, 2002, an arrest warrant was issued by the United States District Court for the Southern District of Florida for the defendant LAWRENCE W. GALLO, after he was indicted by a grand jury there, on or about July 30, 2002, for mail fraud, in violation of Title 18, United States Code, Section 1343, wire fraud, in violation of Title 18, United States Code, Section 1341, securities fraud, in violation of Title 5, United States Code, Sections 78(j) and 78ff, conspiracy to commit securities, mail and wire fraud, in violation of Title 18, United States Code, Section 371, and money laundering, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

①



REMOVAL TO THE SOUTHERN
DISTRICT OF FLORIDA

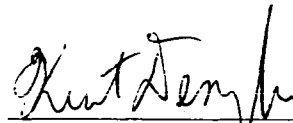
(Fed. R. Crim. P. 40)

The sources of your deponent's information and the grounds for your deponent's belief are as follows:

1. A copy of the Warrant for Arrest, dated July 30, 2002, is attached to this affidavit and incorporated by reference. The arrest warrant was issued in the Southern District of Florida for the defendant LAWRENCE W. GALLO, after he was indicted by a grand jury there, on or about July 30, 2002, for wire fraud, mail fraud, securities fraud, conspiracy to commit wire, mail and securities fraud, and money laundering. A copy of the Indictment is attached to this affidavit and incorporated by reference.

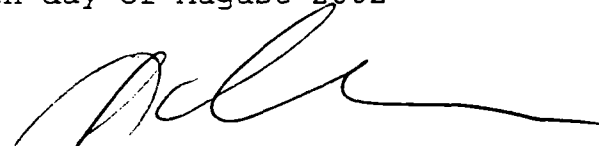
2. On August 13, 2002, the undersigned and other FBI Special Agents arrested the defendant LAWRENCE W. GALLO at his home in Brooklyn. At the time of his arrest, the defendant acknowledged that his name is Lawrence W. Gallo and asked whether his arrest had anything to do with "Raspberry." Douglas Raspberry is charged together with the defendant in the indictment.

WHEREFORE, I respectfully request that the defendant
LAWRENCE W. GALLO be dealt with according to law.



KURT DENGLER
Special Agent
Federal Bureau of Investigation

Sworn to before me this
13th day of August 2002



UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK

FBI 679443

United States District Court

SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

WARRANT FOR ARREST

v.
DOUG RASBERRY,
MICHAEL VLAHOVIC, and
LAWRENCE B. GALLO

02-20637 CR-MOORE

CASE NUMBER:

MAGISTRATE JUDGE
O'SULLIVAN

To: The United States Marshal
and any Authorized United States Officer

YOU ARE HEREBY COMMANDED to arrest LAWRENCE B. GALLO
Name

and bring him or her forthwith to the nearest magistrate judge to answer a(n)

☒ Indictment ☐ Information ☐ Complaint ☐ Order of court ☐ Violation Notice ☐ Probation Violation Petition

charging him or her with (brief description of offense)

CONSPIRACY TO COMMIT WIRE, MAIL AND SECURITIES FRAUD

RECEIVED
UNITED STATES MARSHAL,
SOUTHERN DISTRICT OF
FLORIDA
JUL 31 PM 12:20
WARRANTS

in violation of Title 18 United States Code, Section(s) 371

Clarence Maddox

Name of Issuing Officer

Signature of Issuing Officer

Court Administrator • Clerk of Court

Title of Issuing Officer

Date and Location

07/30/02, Miami, FL

Bail fixed at \$

200,000.00 BB

by

STEPHEN T. BROWN

Name of Judicial Officer

RETURN

This warrant was received and executed with the arrest of the above-named defendant at

DATE RECEIVED

NAME AND TITLE OF ARRESTING OFFICER

SIGNATURE OF ARRESTING OFFICER

DATE OF ARREST

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

02-20637 CR-MOORE

CASE NO. _____

18 U.S.C. § 1956(a)(2)(A)
18 U.S.C. § 1346
18 U.S.C. § 1343
18 U.S.C. § 1341
18 U.S.C. § 371
18 U.S.C. § 2
15 U.S.C. § 78j(b)
17 C.F.R. § 240.10b-5

MAGISTRATE JUDGE
O'SULLIVAN

RECEIVED
UNITED STATES MARSHAL
2002 JUL 31 PM 12:30
SOUTHERN DISTRICT OF
FLORIDA
WARRANTS

FILED BY
02 JUL 30 PM 4:45
JUL 30 2002
CLERK OF COURT
SOUTHERN DISTRICT OF
FLORIDA

UNITED STATES OF AMERICA)
)
v.)
)
DOUGLAS RASBERRY,)
a/k/a "Doug Rasberry,")
MICHAEL VLAHOVIC)
and)
LAWRENCE W. GALLO,)
)
Defendants.)

INDICTMENT

The Grand Jury charges that:

COUNT 1

CONSPIRACY TO COMMIT WIRE, MAIL AND SECURITIES FRAUD

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Uncommon Media Group, Inc. ("UMDA") was a Florida corporation with its principal place of business in New York, New York. The common stock of UMDA was publicly traded in the United States on the over-the-counter market. UMDA was purportedly in the business of providing "Crossover Media" solutions and services to traditional advertisers, consumers and suppliers by using a combination of new economy tools, software and real-time Internet interaction.

2. UMDA was an over-the-counter bulletin board ("OTCBB") stock with approximately 30 million outstanding shares. The OTCBB is a market for equity securities traded over-the-counter that are neither listed on NASDAQ nor on a primary national securities exchange.

3. Defendant DOUGLAS RASBERRY owned and controlled a significant amount of UMDA stock through offshore corporate nominees.

4. Defendant MICHAEL VLAHOVIC owned and controlled a significant amount of UMDA stock through offshore corporate nominees.

5. Defendant LAWRENCE W. GALLO was Chairman, Chief Executive Officer and Director of UMDA. He was also a significant shareholder of UMDA.

6. An agent of the Federal Bureau of Investigation, acting in an undercover capacity (the "UCA"), posed as a corrupt securities trader employed by Connelly & Williams Associates, Inc. ("Connelly & Williams"), the United States-based representative of a fictitious foreign mutual fund ("the Fund") that had a number of investors who had invested millions of dollars. In his role as an undercover agent, the UCA claimed that he worked at Connelly & Williams with two due diligence officers whose job was to research and approve which securities the UCA would be allowed to purchase through Connelly & Williams on behalf of the Fund's investors. The UCA also claimed that a purported manager of the Fund was corrupt and had knowledge of the UCA's corrupt activities concerning the Fund.

7. Two cooperating witnesses (collectively, the "CWs") also assisted in the undercover operation, posing as corrupt stock promoters who presented prospective stock purchase deals to the Fund through the UCA.

THE CONSPIRACY

8. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,
a/k/a "Doug Raspberry,"
MICHAEL VLAHOVIC
and
LAWRENCE W. GALLO,**

did knowingly and willfully combine, conspire, confederate and agree with each other and with others known and unknown to the Grand Jury, to commit certain offenses against the United States, namely:

- a. wire fraud, in violation of Title 18, United States Code, Sections 1343 and 1346;
- b. mail fraud, in violation of Title 18, United States Code, Sections 1341 and 1346; and
- c. securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

PURPOSES AND OBJECTS OF THE CONSPIRACY

9. It was the purpose and object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the Fund through paying undisclosed kickbacks to the UCA, CWs, a purported corrupt Fund manager and two purported due diligence officers of Connelly & Williams, in exchange for their causing the Fund to purchase a large amount of overpriced UMDA stock from the defendants. It was also the purpose and object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the public shareholders of UMDA by artificially affecting the supply and demand for UMDA stock in order to inflate the market price of such stock through illegal means.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the objects of the conspiracy included, among others, the following:

10. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to pay undisclosed kickbacks to the UCA and others at the Fund to violate their fiduciary obligations by buying a large amount of overpriced UMDA stock from the defendants with the Fund's money.

11. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to pay 45% of the purchase price as an undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund to induce the Fund to purchase approximately \$8,000,000 to \$10,000,000 of overpriced UMDA stock rather than shares of another company's stock.

12. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to sell approximately 2,000,000 - 2,500,000 shares of UMDA stock at \$4.00/share (totaling \$8,000,000-\$10,000,000) to Connelly & Williams, on behalf of the Fund. At the time, the prevailing market price of UMDA stock was approximately \$2.60/share. The source of the UMDA shares was to be various nominee offshore companies controlled by defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC**. The Fund was to purchase these shares in three separate transactions.

13. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to arrange for the UCA, CWs and a purported corrupt manager of the Fund to receive 45% of the \$8,000,000 to \$10,000,000 in proceeds from the Fund's UMDA stock purchase, representing the agreed to undisclosed kickback portion of the proceeds from the UMDA stock deal.

14. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to enlist

securities brokers, through the CWs and the UCA, to assist in artificially increasing the market price of UMDA stock by making illegal payments to securities brokers who would recommend and sell shares of UMDA stock to their customers rather than shares of another company's stock.

15. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to provide defendant **LAWRENCE W. GALLO** with a portion of their proceeds from the sale of their UMDA shares to the Fund to be used by defendant **LAWRENCE W. GALLO** for UMDA corporate purposes, as well as for his personal benefit.

16. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to complete a "test" trade of a smaller amount of UMDA stock in order to get UMDA placed on the Fund's list of stocks approved for purchase, which then would allow the UCA to execute the larger \$8,000,000 to \$10,000,000 UMDA stock trade at a later date.

17. As part of this "test" trade, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to sell to the Fund, through a Connelly & Williams securities brokerage account, 7,600 shares of UMDA stock at \$2.60/share (totaling \$19,760), and send an undisclosed kickback payment of \$20,000 to the UCA for further transfer to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

OVERT ACTS

In furtherance of the conspiracy and to achieve the objects thereof, at least one of the co-conspirators committed or caused to be committed, in the Southern District of Florida and elsewhere, at least one of the following overt acts, among others:

18. On or about December 12, 2000, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** proposed to the UCA and CWs that the Fund purchase approximately 2,000,000 - 2,500,000 shares of UMDA stock at a total cost of

approximately \$8,000,000 to \$10,000,000, in exchange for payment of an undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund totaling approximately 45% of the purchase price. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** also proposed enlisting securities brokers to assist in artificially increasing the market price of UMDA stock by making illegal payments to securities brokers who would recommend and sell shares of UMDA stock to their customers rather than shares of another company's stock.

19. On or about December 18, 2000, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** proposed to the UCA and CWs that securities brokers commence the manipulation of the market price of UMDA stock prior to the Fund's large purchase of UMDA shares.

20. On or about January 2, 2001, defendant **DOUGLAS RASBERRY** met with the UCA and CWs to discuss all aspects of the UMDA stock purchase deal by the Fund, including the enlisting of securities brokers who were to artificially affect the supply and demand for UMDA stock in order to inflate the market price of such stock through illegal means.

21. On or about January 8, 2001, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** placed an international telephone call to the UCA and CWs during which they agreed to send to the UCA and CWs two (2) UMDA stock certificates representing 50,000 shares each to be used to illegally pay off securities brokers for manipulating the market price of UMDA stock.

22. On or about January 16, 2001, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to perform a "test" trade involving the Fund's purchase of 7,600 shares of UMDA stock at \$2.60/share and the subsequent undisclosed kickback payment of \$20,000 to the UCA for further transfer to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

23. On or about January 17, 2001, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** wire-transferred \$20,000 to a bank account of the UCA which represented the undisclosed kickback payment, in connection with the "test" trade, to be provided to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

24. On or about January 18, 2001, during an interstate telephone call, defendant **LAWRENCE W. GALLO** discussed with the UCA and CWs the Fund's purchase of approximately \$8,000,000 to \$10,000,000 of UMDA stock from defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** in exchange for payment of a 45% undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund. Defendant **LAWRENCE W. GALLO** confirmed his knowledge and approval of this transaction and advised that he had an agreement with defendant **DOUGLAS RASBERRY** pursuant to which defendant **DOUGLAS RASBERRY** was to provide him with a portion of the proceeds from the UMDA stock sale to the Fund to be used by defendant **LAWRENCE B. GALLO** for UMDA corporate purposes, and for his own personal benefit. Defendant **LAWRENCE B. GALLO** agreed to make sure that the undisclosed kickback payment to the UCA was promptly remitted after the Fund's purchase of the UMDA stock.

25. The wire communications, as set forth in Counts 2 through 6 of this Indictment, the mailing, as set forth in Count 7 of this Indictment, the securities transaction, as set forth in Count 8 of this Indictment, and the money laundering transaction, as set forth in Count 9 of this Indictment, are incorporated herein and realleged as though restated as individual overt acts done in furtherance of the conspiracy.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2-6WIRE FRAUD

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

DOUGLAS RASBERRY,
a/k/a "Doug Rasberry,"
and
MICHAEL VLAHOVIC,

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and deprive others of the intangible right of honest services, and to obtain money and property from others by means of materially false and fraudulent pretenses, representations and promises, knowing that the pretenses, representations and promises were false when made.

3. On or about the dates specified as to each count, the defendants, for the purpose of executing the aforesaid scheme and artifice to defraud and deprive others of the intangible right of honest services, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises did knowingly transmit and cause to be transmitted, by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures and sounds, as more particularly described in each count below:

| COUNT | APPROX. DATE | ORIGIN | DESTINATION | DESCRIPTION OF WIRE COMMUNICATION |
|-------|--------------|--------|---------------------|-----------------------------------------------------------------------------------------|
| 2 | 1/16/01 | Canada | Boca Raton, Florida | Fax copy of DTC Weekly Security Position Listing for week ending 1/12/01 for UMDA stock |

| COUNT | APPROX. DATE | ORIGIN | DESTINATION | DESCRIPTION OF WIRE COMMUNICATION |
|-------|--------------|---------------------|---------------------|----------------------------------------------------------------------------------------------------------|
| 3 | 1/16/01 | Boca Raton, Florida | Canada | Fax copy of UCA's bank account wire transfer instructions |
| 4 | 1/16/01 | Canada | Boca Raton, Florida | Fax copy of defendants' request to wire transfer \$20,000 undisclosed kickback to the UCA's bank account |
| 5 | 1/17/01 | Canada | Miami, Florida | Bank wire-transfer of \$20,000 "test" trade undisclosed kickback to the UCA's bank account |
| 6 | 1/23/01 | Canada | Boca Raton, Florida | Fax copy of DTC Weekly Security Position Listing for week ending 1/19/01 for UMDA stock |

All in violation of Title 18, United States Code, Sections 1343, 1346 and 2.

COUNT 7

MAIL FRAUD

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

DOUGLAS RASBERRY,
a/k/a "Doug Rasberry,"
and
MICHAEL VLAHOVIC,

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and deprive others of the intangible right of honest services, and to obtain money and property from others by means of materially false and fraudulent pretenses, representations and promises, knowing that the pretenses, representations and promises were false when made.

3. On or about January 12, 2001, the defendants, for the purpose of executing the aforesaid scheme and artifice to defraud and deprive others of the intangible right of honest services, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, and attempting to do so, did knowingly cause to be delivered to the UCA in Boca Raton, Florida, by private and commercial interstate carrier, that is, FedEx, according to the directions thereon, two (2) stock certificates numbers 1259 and 1260 for 50,000 shares of Uncommon Media Group, Inc. each in the name of "Michael Patterson," the UCA's undercover name.

All in violation of Title 18, United States Code, Sections 1341, 1346 and 2.

COUNT 8

SECURITIES FRAUD

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about January 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,
a/k/a "Doug Rasberry,"
and
MICHAEL VLAHOVIC,**

knowingly and willfully, by the use of means and instrumentalities of interstate commerce, the mails, and the facilities of national securities exchanges, did, directly and indirectly, use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of a security, that is, 7,600 shares of stock in Uncommon Media Group, Inc. (UMDA) to "Connelly & Williams Associates, Inc.," and did (a) employ a device, scheme and artifice to defraud; (b) make untrue statements of material facts and omit to state material facts necessary in order to make the

statements made, in light of the circumstances under which they were made, not misleading; and (c) engage in acts, practices and courses of business which would and did operate as a fraud and deceit upon others, in connection with the purchase and sale of said securities.

All in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a); Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2.

COUNT 9

MONEY LAUNDERING

INTERNATIONAL TRANSPORTATION OF MONETARY INSTRUMENTS

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about January 17, 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,
a/k/a "Doug Rasberry,"
and
MICHAEL VLAHOVIC,**

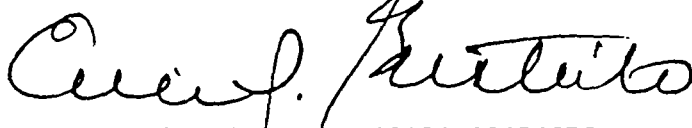
did knowingly transport, transmit, and transfer, and attempt to transport, transmit, and transfer funds, that is, a \$20,000 bank wire-transfer, from a place outside the United States, that is, Canada, to a place in the United States, that is, Miami, Florida, with the intent to promote the carrying on of specified unlawful activity, specifically, wire and mail fraud, in violation of Title 18, United States Code, Sections 1343, 1341 and 1346, and securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

All in violation of Title 18, United States Code, Sections 1956(a)(2)(A) and 2.

A TRUE BILL


FOREPERSON


GUY A. LEWIS
UNITED STATES ATTORNEY


ERIC I. BUSTILLO
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

02-20637CR-MOORE

UNITED STATES OF AMERICA

v.

DOUGLAS RASBERRY, et al.,

CERTIFICATE OF TRIAL ATTORNEY MAGISTRATE JUDGE
O'SULLIVAN

Superseding Case Information:

New Defendant(s) Yes _____ No _____
Number of New Defendants _____
Total number of counts _____

Court Division: (Select One)

X Miami _____ Key West
_____ FTL _____ WPB _____ FTP

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No
List language and/or dialect _____

4. This case will take 12 days for the parties to try.

5. Please check appropriate category and type of offense listed below:
(Check only one) (Check only one)

| | | | | |
|-----|------------------|----------|---------|----------|
| I | 0 to 5 days | _____ | Petty | _____ |
| II | 6 to 10 days | _____ | Minor | _____ |
| III | 11 to 20 days | <u>X</u> | Misdem. | _____ |
| IV | 21 to 60 days | _____ | Felony | <u>X</u> |
| V | 61 days and over | _____ | | |

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes:

Judge: _____

Case No. _____

(Attach copy of dispositive order)

Has a complaint been filed in this matter?

(Yes or No) No

If yes:

Magistrate Case No. _____

Related Miscellaneous numbers: _____

Defendant in federal custody as of _____

Defendant(s) in state custody as of _____

Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999? X Yes No If yes, was it pending in the Central Region? X Yes No

8. Did this case originate in the Narcotics Section, Miami? Yes X No

Eric I. Bustillo

ERIC I. BUSTILLO
ASSISTANT UNITED STATES ATTORNEY
Florida Bar No. 831093

*Penalty Sheet(s) attached

REV.6/27/00

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

~~PENALTY SHEET~~

02-20637 CR-MOORE

Defendant's Name: DOUGLAS RASBERRY

Case No: _____

Count: 1

MAGISTRATE JUDGE
O'SULLIVAN

Conspiracy

18 U.S.C. § 371

*Max. Penalty: 5 years of imprisonment

=====
Counts: 2-6

Wire Fraud

18 U.S.C. §§ 1343 & 1346

*Max. Penalty: 5 years of imprisonment

=====
Count: 7

Mail Fraud

18 U.S.C. §§ 1341 & 1346

*Max. Penalty: 5 years of imprisonment

=====
Count: 8

Securities Fraud

15 U.S.C. §§ 78j(b) & 78ff(a)

*Max. Penalty: 10 years of imprisonment

=====
Count: 9

Money Laundering

18 U.S.C. § 1956(a)(2)(A)

*Max. Penalty: 20 years of imprisonment

=====
*Refers only to possible term of incarceration, does not
include possible fines, restitution, special assessments,
parole terms, or forfeitures that may be applicable.

FILED
02 JUL 30 PM 4:45
CLERK U.S. DIST. CT.
S.D. OF FLORIDA

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

02-20637CR-MOORE

Defendant's Name: MICHAEL VLAHOVIC

Case No: _____

MAGISTRATE JUDGE
O'SULLIVAN

Count: 1

Conspiracy

18 U.S.C. § 371

*Max. Penalty: 5 years of imprisonment

=====
Counts: 2-6

Wire Fraud

18 U.S.C. §§ 1343 & 1346

*Max. Penalty: 5 years of imprisonment

=====
Count: 7

Mail Fraud

18 U.S.C. §§ 1341 & 1346

*Max. Penalty: 5 years of imprisonment

=====
Count: 8

Securities Fraud

15 U.S.C. §§ 78j(b) & 78ff(a)

*Max. Penalty: 10 years of imprisonment

=====
Count: 9

Money Laundering

18 U.S.C. § 1956 (a)(2)(A)

*Max. Penalty: 20 years of imprisonment

=====
*Refers only to possible term of incarceration, does not
include possible fines, restitution, special assessments,
parole terms, or forfeitures that may be applicable.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

03-20637 CR-MOORE

Defendant's Name: LAWRENCE W. GALLO Case No: _____
Count: 1

MAGISTRATE JUDGE
O'SULLIVAN

Conspiracy

18 U.S.C. § 371

*Max. Penalty: 5 years of imprisonment

Count: _____

*Max. Penalty:

Count: _____

*Max. Penalty:

Count: _____

*Max. Penalty:

Count: _____

*Max. Penalty:

*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.

FILED
02 JUL 30 PM 4:45
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S.D. FL.